

[Filed 2-1-07]

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

STATE OF IOWA, ex rel., IOWA
DEPARTMENT OF NATURAL
RESOURCES (99AG23542),

Plaintiff,

vs.

BULK PETROLEUM CORPORATION,

Defendant.

NO.

CV 6490

PETITION AT LAW

CLERK DISTRICT COURT

FILED - 1

FEB 1 2007

COMES NOW Plaintiff State of Iowa, ex rel., Iowa Department of Natural Resources ("DNR") and for its claims against Bulk Petroleum Corporation ("Bulk Petroleum") states as follows:

INTRODUCTION

1. The release of petroleum from underground storage tanks ("USTs") is a substantial public concern because it threatens public health and safety and the natural resources of the state. See Iowa Code § 455B.472.

2. During calendar years 2005 and 2006, Bulk Petroleum violated petroleum UST requirements at seventeen separate retail gasoline facilities located in nine cities and seven counties in central and eastern Iowa. The seventeen facilities contained 61 petroleum USTs with a total storage capacity of over one-half million gallons of product.

3. Bulk petroleum failed to comply with DNR regulations requiring the protection of steel USTs from corrosion, the prevention and detection of leaks from USTs, the maintenance and availability of UST compliance records, and the reporting, investigation and confirmation of

suspected UST releases. The State of Iowa, therefore, brings this action seeking assessment of civil penalties and issuance of a permanent injunction against Bulk Petroleum.

PARTIES

4. The State of Iowa is a sovereign state of the United States of America and brings this action on behalf of the DNR, a duly constituted agency of the State of Iowa pursuant to Iowa Code section 455A.2 (2007).

5. Bulk Petroleum is a Delaware corporation, and owns and operates retail gasoline facilities in Iowa.

JURISDICTION

Authority to Regulate USTs

6. Regulation of USTs containing regulated substances, including petroleum products, is within the jurisdiction of the DNR and the Environmental Protection Commission ("EPC"). Iowa Code §§ 455B.471-479.

7. The EPC is authorized to adopt rules related to USTs including, but not limited to, release detection and prevention, monitoring, site assessment, risk classification, tank closure, reporting, corrective action, and financial responsibility applicable to all owners and operators of USTs. Iowa Code § 455B.474. The UST rules adopted by the EPC are contained in 567 Iowa Admin. Code chapters 135 and 136.

8. An "owner" of a UST is a person who owns the UST used for the storage, use, or dispensing of petroleum products. Iowa Code § 455B.471(6)(a)(1); 567 Iowa Admin. Code 135.2.

9. An "operator" of a UST is a person in control of, or having responsibility for, the daily operation of the UST. Iowa Code § 455B.471(5); 567 Iowa Admin. Code 135.2.

Protection of Steel USTs From Corrosion

10. Piping in a UST system that routinely contains regulated substances and is in contact with the ground must be properly designed, constructed, and protected from corrosion. 567 Iowa Admin. Code 135.3(1)"b".

11. Unless otherwise allowed, owners and operators of a steel UST must protect any underground portion of the UST that routinely contains product from corrosion by cathodic protection. 567 Iowa Admin. Code 135.3(1)"a"(2).

12. "*Cathodic protection*" is a technique to prevent corrosion of a metal surface by making that surface the cathode of an electrochemical cell. 567 Iowa Admin. Code 135.2.

13. All cathodic protection systems must be operated and maintained to continuously provide corrosion protection. 567 Iowa Admin. Code 135.4(2)"a".

14. All cathodic corrosion protection systems must be tested within six months of installation and at least every three years thereafter or according to another reasonable time frame established by the DNR. 567 Iowa Admin. Code 135.4(2)"b"(1).

15. UST systems with impressed current cathodic protection systems must also be inspected every 60 days to ensure the equipment is running properly. 567 Iowa Admin. Code 135.4(2)"c".

16. Records of the operation of the cathodic protection must be maintained to demonstrate compliance with DNR performance standards. 567 Iowa Admin. Code 135.4(2)"d".

Prevention and Detection of Leaks From USTs

17. Owners and operators must provide a method, or combination of methods, of release detection that is installed, calibrated, operated, and maintained in accordance with the manufacturer's instructions, including routine maintenance and service checks for operability or running condition. 567 Iowa Admin. Code 135.5(1)"a"(1)-(2).

18. Owners and operators must use spill and overfill prevention equipment to prevent spilling and overfilling of petroleum, including but not limited to, spill prevention equipment that will prevent release of product to the environment when the transfer hose is detached from the fill pipe (for example, a spill catchment basin), and overfill prevention equipment that will automatically shut off flow into the tank or trigger an alarm. 567 Iowa Admin. Code 135.3(1)"c"(1)"1" and "2", 135.3(2)"d".

19. Owners and operators of petroleum UST systems must monitor the USTs at least every 30 days, or use monthly inventory controls and tank tightness testing, for detection of petroleum releases. 567 Iowa Admin. Code 135.5(2)"a".

20. Monthly inventory controls and tank tightness testing, however, may only be used as a method of monitoring for ten (10) years after a UST is installed or upgraded, whichever occurs later. 567 Iowa Admin. Code 135.5(2)"a"(1).

21. Owners and operators of petroleum UST systems using monthly inventory controls and tank tightness testing as a method of monitoring must measure for the presence of water in the USTs at least once a month. 567 Iowa Admin. Code 135.5(4)"a"(6).

22. Owners and operators of petroleum UST systems must monitor pressurized underground UST piping that routinely contains regulated substances with an automatic line leak

detector and an annual line tightness test, or by monthly monitoring. 567 Iowa Admin. Code 135.5(2)"b"(1)"1" and "2".

23. A line tightness test may be conducted only if it can detect a 0.1 gallon-per-hour leak rate at one and one-half times the operating pressure. 567 Iowa Admin. Code 135.5(5)"b".

24. Automatic line leak detectors must be tested annually. 567 Iowa Admin. Code 135.5(5)"a".

25. When owners and operators use an automatic tank gauge to detect petroleum releases, the gauge must be able to detect a 0.2 gallon-per-hour leak rate from any portion of the tank that routinely contains product. 567 Iowa Admin. Code 135.5(4)"d"(1).

26. Within ten years after lining USTs to comply with DNR upgrade requirements, and every five years thereafter, the lined USTs are to be internally inspected to determine if the USTs remain structurally sound with the lining still performing in accordance with original design specifications. 567 Iowa Admin. Code 135.3(2)"b"(1)"2".

27. When a UST system is temporarily closed, owners and operators must continue operation and maintenance of corrosion protection, release detection, and financial responsibility. Release detection, however, is not required if the UST system is empty (i.e., contains no more than 1 inch, or 0.3 percent by weight on the total capacity of the UST system, of petroleum in the system). 567 Iowa Admin. Code 135.15(1)"a".

28. When a UST system is temporarily closed for three months or more, owners and operators must give written notification to the DNR of the temporary closure, leave UST vent lines open and functioning, and cap and secure all other lines, pumps, accesses, and ancillary equipment 567 Iowa Admin. Code 135.15(1)"b".

Maintenance and Availability of UST Compliance Records

29. All UST system owners and operators must maintain records demonstrating (1) all written manufacturer or installer performance claims pertaining to any release detection system used, (2) the results of any UST sampling, testing, or monitoring; and (3) written documentation of all calibration, maintenance, and repair of release detection equipment. 567 Iowa Admin. Code 135.5(6)"a"-"c".

30. Owners and operators must maintain records that include documentation of operation of corrosion protection equipment, UST system repairs, and recent compliance with release detection requirements. 567 Iowa Admin. Code 135.4(5)"b"(2)-(4).

31. Owners and operators must maintain records at the UST site, or at a readily available alternative site, and make the records available to the DNR for inspection upon request. 567 Iowa Admin. Code 135.4(5)"c"(1) and (2).

32. Owners and operators must affix, and make readily visible, DNR-issued UST registration tags to the fill pipes of USTs. 567 Iowa Admin. Code 135.3(5)"c".

Reporting, Investigation and Confirmation of Suspected UST Releases

33. When UST system monitoring results indicate a release may have occurred, owners and operators must report the suspected release to the DNR within twenty-four (24) hours, and conduct a risk-based corrective action of contamination in the soil and groundwater. 567 Iowa Admin. Code 135.5(1)"b" and 135.6(1)"c".

34. Risk-based corrective action requires the owner or operator to conduct an assessment of the contamination pursuant to DNR rules, and develop a corrective action response that is

determined sufficient to remove or minimize risks to acceptable levels. 567 Iowa Admin. Code 135.8(1).

35. Within seven (7) days after UST system monitoring results indicate a release may have occurred, owners and operators must investigate and confirm all suspected releases of regulated substances either by conducting a tank tightness test, or by having the site checked by a certified groundwater professional. 567 Iowa Admin. Code 135.6(3).

Authority to Enforce Violations of UST Statutes and Regulations

36. A person who violates a provision of Iowa Code chapter 455B, Division IV, part 8, or rule or order issued thereunder is subject to a civil penalty not to exceed five thousand dollars (\$5,000.00) for each day during which the violation continues. Iowa Code § 455B.477(1).

37. The Attorney General, at the request of the DNR director with approval of the EPC, shall institute any legal proceedings, including an action for injunction, necessary to enforce the penalty provisions of Iowa Code chapter 455B, Division IV, part 8, or to obtain compliance with the provisions of said part or the rules or orders issued thereunder. Iowa Code § 455B.477(3).

CLAIMS FOR RELIEF

38. The State brings seventeen separate claims for relief against Bulk Petroleum for numerous violations of UST regulations identified during compliance inspections conducted in calendar years 2005 and 2006 at the following retail gasoline facilities:

<u>CLAIM</u>	<u>STATION NAME</u>	<u>USTs (gallons)</u>	<u>ADDRESS</u>	<u>COUNTY</u>	<u>INSPECTION DATES</u>
I	Citgo Station #574	10000 10000 10000 10000	4600 Fleur Drive, Des Moines	Polk	February 21, 2005 April 7 & 10, 2006
II	Citgo Station #582	12000 6000 6000	2701 Ingersoll Avenue, Des Moines	Polk	May 31, 2005
III	Citgo Station #596	10000 10000 10000 10000	3804 Hubbell Avenue, Des Moines	Polk	February 18, 2005
IV	Citgo Station #597	10000 10000 10000 10000	4028 N.E. 14 th Street, Des Moines	Polk	May 26, 2005
V	Four Mile Texaco Station #536	12000 8000 5000	3732 Easton Blvd., Des Moines	Polk	December 13, 2005
VI	Citgo Station #587	10000 10000	3417 Harrison St., Davenport	Scott	April 26, 2006
VII	Citgo Station #588	10000 10000 10000	1026 W. River Drive, Davenport	Scott	November 2, 2005
VIII	Citgo Station #555	6000 6000 6000 6000	2080 W. River Drive, Davenport	Scott	April 21, 2006

<u>CLAIM</u>	<u>STATION NAME</u>	<u>USTs (gallons)</u>	<u>ADDRESS</u>	<u>COUNTY</u>	<u>INSPECTION DATES</u>
IX	Citgo Station #534	12000 10000 10000	11423 160 th Street, Davenport	Scott	April 21, 2006
X	Citgo Station #535	8000 8000 8000	101 E. Mayne, Blue Grass	Scott	October 17, 2005
XI	Citgo Station #539	10000 6000 4000 4000 2000	1220 North Cody Road, Le Claire	Scott	July 12, 2005
XII	Kerr McGee Station #576	15000 10000 6000	100 First Ave. NW, Cedar Rapids	Linn	February 1, 2005
XIII	Mobil Station #581	10000 10000 10000 10000	3326 Center Point Rd. NE, Cedar Rapids	Linn	February 2, 2005
XIV	Citgo Station #572	10000 10000 10000 10000	515 Broadway St., Waterloo	Black Hawk	March 15, 2005
XV	Citgo Station #520	6000 6000 6000 6000	1900 Summer Street, Burlington	Des Moines	February 17, 2005
XVI	Jiffy Station #505	12000 10000 6000	326 Lincoln Way, Ames	Story	March 1, 2006
XVII	Citgo Station #550	10000 10000 6000 6000 6000	4164 Highway 63, Malcolm	Poweshiek	August 22, 2005 January 18, 2006

CLAIM I
(Citgo Station #574, Des Moines)

39. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

40. Bulk Petroleum's Citgo Station #574 (UST # 8601905), located at 4600 Fleur Drive, Des Moines, Iowa, has a history of petroleum contamination in the soil and groundwater at the site dating back to September 1990.

41. In a June 9, 2004 letter, the DNR informed Bulk Petroleum that a significant increase in groundwater contamination was discovered and requested that Bulk Petroleum produce its leak detection records from May 2003 to May 2004 by July 15, 2004. The DNR further required Bulk Petroleum to conduct tightness tests on the UST system to detect any potential leaks.

42. In a June 16, 2004 letter to Bulk Petroleum, the DNR acknowledged receipt of passing tank tightness test results on June 14, 2004; however, the monthly leak detection records provided by Bulk Petroleum were incomplete and inaccurate. The DNR directed Bulk Petroleum to conduct "Statistical Inventory Reconciliation" (SIR) as a method of leak detection.

43. On September 9, 2004, DNR representative Dennis Appelhons conducted a partial on-site inspection of the station. He noted during the inspection that an overfill device on a UST contained two gallons of gasoline that needed to be removed.

44. On February 21, 2005, DNR representative Amy Scott conducted another on-site inspection of the station.

45. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of the four steel 10,000-gallon petroleum USTs located at the site.

46. Although Bulk Petroleum used "Statistical Inventory Reconciliation" (SIR) as a method for leak detection, Ms. Scott noted that SIR reports for January-May 2004, December 2004 and January 2005 were not available for inspection.

47. Ms. Scott noted during the inspection that an overfill basin on a UST contained several gallons of gasoline that needed to be removed.

48. Although a 3-year cathodic protection test should have been conducted on or before August 23, 2004 (the last test was conducted on August 23, 2001), Bulk Petroleum was unable to produce records to Ms. Scott demonstrating the UST cathodic protection system had been tested since August 23, 2001.

49. Ms. Scott also determined that the cathodic protection system for the USTs was not operating due to a suspected malfunctioning rectifier, and Bulk Petroleum failed to maintain a required 60-day log documenting the rectifier readings. The last records at the site were from the year 2001.

50. On March 16, 2005, Bulk Petroleum sent the monthly UST leak detection records for January-May 2004 to the DNR.

51. On or about March 28, 2005, Bulk Petroleum tested the cathodic protection system and discovered it was inoperable and in need of repair.

52. On April 4, 2005, Bulk Petroleum sent the monthly UST leak detection records for April 2004-March 2005 to the DNR.

53. On April 7 and 10, 2006, Ms. Scott conducted a follow-up inspection of the site and discovered the USTs continued to operate without cathodic protection, and Bulk Petroleum failed to maintain the 60-day rectifier readings for the cathodic protection system.

54. In an April 12, 2006 letter, the DNR instructed Bulk Petroleum to cease use of the UST system by May 1, 2006, for failure to maintain an operating cathodic protection system.

55. On April 28, 2006, the DNR received a "Notification of Tank Closure" form indicating Bulk Petroleum would permanently close and remove the four USTs on May 16, 2006.

56. On May 8, 2006, the DNR received a fax from Bulk Petroleum changing the removal date to May 10, 2006.

57. Bulk Petroleum removed and replaced the USTs in May 2006.

Violations

58. Bulk Petroleum operated the UST system without cathodic protection since before the DNR inspection on February 21, 2005, and until the USTs were permanently closed in May 2006, in violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.4(2)"a".

59. Since 2001, Bulk Petroleum failed to inspect the cathodic protection system every sixty days in violation of 567 Iowa Admin. Code 135.4(2)"c".

60. Bulk Petroleum failed to conduct a three-year cathodic protection test on or before the August 23, 2004 deadline, and did not test the cathodic protection system until March 28, 2005, in violation of 567 Iowa Admin. Code 135.4(2)"b"(1).

61. Since 2001, Bulk Petroleum failed to maintain records of the operation of the UST cathodic protection system in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

62. Bulk Petroleum failed to make the following leak detection records readily available to the DNR for inspection in violation of 567 Iowa Admin. Code 135.4(5)"c"(1)-(2):

a. January-May 2004 leak detection records were requested on February 21, 2005, and were produced by Bulk Petroleum on March 16, 2005; and

b. December 2004 and January 2005 leak detection records were requested on February 21, 2005, and were produced by Bulk Petroleum on April 4, 2005.

63. An overfill basin was filled with several gallons of gasoline which prevented the basin from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2) and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2) and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM II

(Citgo Station #582, Des Moines)

64. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

65. In February 1998, Bulk Petroleum installed, and registered as the owner of, one 12,000-gallon, and two 6,000-gallon petroleum USTs at Citgo Station #582 (UST # 8601913), located at 2701 Ingersoll Avenue, Des Moines, Iowa.

66. During a July 19, 2000 inspection of Citgo Station #582 conducted by DNR representative Janet Gastineau, she noted Bulk Petroleum failed to maintain on-site release detection records, and did not make them readily available after the inspection.

67. On September 26, 2000, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to report a suspected petroleum release to the DNR after the UST system failed the monthly leak detection tests in January and February 2000.

68. On May 31, 2005, DNR representative Bill Gibbons conducted an on-site inspection of the station.

69. During the inspection, Mr. Gibbons discovered the USTs were being operated while the automatic tank gauge was in alarm status. The Alarm History Report for the gauge showed the alarm status had been ongoing prior to the inspection.

70. When Mr. Gibbons requested the required monthly leak detection reports, the reports were not available. Bulk Petroleum informed Mr. Gibbons no UST leak detection records were ever maintained for this site.

71. Mr. Gibbons also noted one spill containment basin was full of water, another was half-full of diesel fuel, and a third contained some water.

72. On June 29, 2005, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for inadequate leak detection and failure to maintain leak detection records.

Violations

73. The USTs were being continually operated while the automatic tank gauge was in alarm status, and the gauge was therefore unable to detect a 0.2 gallon-per-hour leak rate in violation of 567 Iowa Admin. Code 135.5(1)"a"(1)-(2) and 135.5(4)"d"(1).

74. Bulk Petroleum failed to notify the DNR of a possible petroleum release after the alarm sounded on the automatic tank gauge in violation of 567 Iowa Admin. Code 135.5(1)"b" and 135.6(1)"c".

75. Since 1998, Bulk Petroleum did not conduct UST system leak detection monitoring every thirty days in violation of 567 Iowa Admin. Code 135.5(2)"a".

76. Since 1998, Bulk Petroleum did not maintain monthly UST leak detection records in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

77. Spill containment basins contained water and fuel that prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1" and 135.3(2)"d".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(1)"b" 135.5(2)"a", 135.5(4)"d"(1), 135.5(6), and 135.6(1)"c" not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(1)"b" 135.5(2)"a", 135.5(4)"d"(1), 135.5(6), and 135.6(1)"c".

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM III **(Citgo Station #596, Des Moines)**

78. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

79. During an October 10, 2000 inspection of Bulk Petroleum's Citgo Station #596 (UST # 8601925), located at 3804 Hubbell Avenue, Des Moines, Iowa, by DNR representative Janet Gastineau, Ms. Gastineau observed that current UST registration tags were not attached to the fill

pipes, the cathodic protection system was not being regularly tested, monthly leak detection records were not available, and spill containment basins contained fluid.

80. On October 11, 2000, the DNR issued a "Final Notice" letter to Bulk Petroleum for failing to affix UST registration tags to the fill pipes.

81. On October 16, 2000, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failure to display UST registration tags and improper testing of the cathodic protection system. The letter also requested Bulk Petroleum to submit monthly leak detection reports no later than November 16, 2000.

82. On February 7, 2001, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to produce the monthly leak detection records as requested. The requested records were finally produced in February 2001.

83. On March 7, 2001, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to report a suspected petroleum release to the DNR after the UST system failed the monthly leak detection tests for five consecutive months.

84. In response to a report that the rectifier for the cathodic protection system was not operating properly, DNR representative Janet Gastineau inspected the cathodic protection system on May 16, 2001. During the inspection, she discovered the rectifier had not been tested since December 2000.

85. On May 23, 2001, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for inadequate tank tightness testing and failing to ensure proper operation of the cathodic protection system.

86. On May 25, 2001, the DNR director issued Administrative Order 2001-UT-19 to Bulk Petroleum for failing to report a suspected release to the DNR, failure to inspect the cathodic

protection system, and failure to provide the DNR with requested UST records. The Order imposed an administrative penalty of \$1,600.00. Bulk Petroleum appealed the Order on June 28, 2001.

87. After its appeal, Bulk Petroleum complied with the non-penalty terms of the Order, and an administrative law judge issued a July 21, 2003 order affirming the \$1,600.00 penalty. Bulk Petroleum paid the penalty in August 2003.

88. On February 18, 2005, DNR representative Cory Carr conducted an on-site inspection of Bulk Petroleum's Citgo Station #596 (UST # 8601925), located at 3804 Hubbell Avenue, Des Moines, Iowa.

89. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of the four steel 10,000-gallon petroleum USTs located at the site.

90. One UST (Tank #4) was "temporarily closed" and had not been operating since June 15, 1996; however, it contained more than 10 inches of product at the time of the inspection.

91. Bulk Petroleum failed to install and maintain a line leak detector, failed to conduct monthly UST leak detection monitoring, and failed to perform product line tightness tests and line leak detector tests for Tank #4 in 2004.

92. Bulk Petroleum failed to notify the DNR that two USTs (Tank #1 and Tank #3) failed two consecutive monthly UST leak detection tests in 2004. It also failed to respond to the failing tests by conducting a tank tightness test to detect any potential leaks, or have the site checked for contamination by a certified groundwater professional.

93. During the inspection, Mr. Carr observed the spill containment basins were rusted to the point of failure, and the basins were filled with debris which prevented them from adequately preventing spills when the USTs are being filled.

94. Although Bulk Petroleum used a cathodic corrosion protection system for the USTs, Bulk Petroleum failed to test the UST cathodic protection system within three years of the last test on August 20, 2001, and it was unable to produce rectifier monitoring records.

95. On March 7, 2005, Bulk Petroleum conducted a tank tightness test on all four USTs, and product line tightness test, a line leak detector test, and a cathodic protection test on the three operating USTs.

Violations

96. Bulk Petroleum failed to perform annual product line tightness tests for a temporarily closed UST in violation of 567 Iowa Admin. Code 135.5(2)"b"(1)"2" and 135.15(1)"a".

97. Bulk Petroleum failed to perform annual line leak detector tests for a temporarily closed UST in violation of 567 Iowa Admin. Code 135.5(5)"a" and 135.15(1)"a".

98. Bulk Petroleum failed to give written notice to the DNR of the temporary closure in violation of 567 Iowa Admin. Code 135.15(1)"b".

99. Bulk Petroleum failed to conduct monthly UST leak detection monitoring for a temporarily closed UST in violation of 567 Iowa Admin. Code 135.5(2)"a", 135.15(1)"a".

100. Bulk Petroleum failed to install and maintain a line leak detector for a temporarily closed UST in violation of 567 Iowa Admin. Code 135.5(1)"a"(1)-(2), 135.5(2)"b"(1)"1", and 135.15(1)"a".

101. Bulk Petroleum failed to notify the DNR that two USTs failed two consecutive monthly UST leak detection tests in 2004 in violation of 567 Iowa Admin. Code 135.5(1)"b", 135.6(1)"c".

102. Bulk Petroleum failed to conduct a risk-based corrective action of contamination in the soil and groundwater in violation of 567 Iowa Admin. Code 135.6(1) and 135.8(1).

103. After two USTs failed two consecutive monthly UST leak detection tests in 2004, Bulk Petroleum failed to conduct a tank tightness test, or have the site checked by a certified groundwater professional in violation of 567 Iowa Admin. Code 135.6(3).

104. Spill containment basins were rusted to the point of failure and were filled with debris which prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d".

105. Bulk Petroleum failed to test the UST cathodic protection system within three years of the August 20, 2001 test in violation of 567 Iowa Admin. Code 135.4(2)"b"(1).

106. Bulk Petroleum did not inspect the cathodic protection system every 60 days in violation of 567 Iowa Admin. Code 135.4(2)"c".

107. Bulk Petroleum did not maintain records of the operation of the cathodic protection system in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(1)"b", 135.5(2)"a", 135.5(2)"b"(1)", 135.5(5)"a", 135.5(6), 135.6(1), 135.6(1)"c", 135.6(3), 135.8(1), 135.15(1)"a", and 135.15(1)"b" not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(1)"a", 135.5(1)"b", 135.5(2)"a", 135.5(2)"b"(1)"1", 135.5(5)"a"(1)-(2), 135.5(6), 135.6(1), 135.6(1)"c", 135.6(3), 135.8(1), 135.15(1)"a", and 135.15(1)"b".

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM IV
(Citgo Station #597, Des Moines)

108. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

109. During a February 6, 1996 UST inspection of Bulk Petroleum's Citgo Station #597 (UST # 8601926), located at 4028 N.E. 14th Street, Des Moines, Iowa by DNR representative Bill Gross, the DNR discovered a UST registration tag missing from a UST fill pipe, and noted Bulk Petroleum failed to test the cathodic protection system within 6 months of installation, and failed to keep proper records for the cathodic protection system and inventory control.

110. On May 29, 2001, Mr. Gross returned to the site to inspect the cathodic protection system and discovered the last recorded test of the system was in August 2000.

111. On June 20, 2001, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to test the cathodic protection system and record the results at least every 60 days.

112. On September 18, 2001, Mr. Gross again returned to the site to inspect the cathodic protection system records and discovered monthly records were available for calendar year 2001 up to June, and no records were available for subsequent months.

113. On September 26, 2001, the DNR issued a "Second Notice of Violation" letter to Bulk Petroleum for failing to test the cathodic protection system and record the results at least every 60 days.

114. Mr. Gross conducted another inspection on May 10, 2002, and again discovered UST fill pipes without current registration tags, the cathodic protection system was not functioning properly, the system rectifier was not monitored, and results recorded, every 60 days, and Bulk Petroleum was using "inventory control" as a release detection method longer than ten years after the UST system was installed or upgraded.

115. On May 22, 2002, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to maintain the cathodic protection system and records, and improper release detection methods and records.

116. On May 26, 2005, DNR representative Amy Scott conducted an on-site inspection of Bulk Petroleum's Citgo Station #597.

117. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of the four steel 10,000-gallon petroleum USTs located at the site.

118. During the inspection, a third-party inspector hired by Bulk Petroleum was conducting UST inspections. Ms. Scott noted, however, that Bulk Petroleum had failed to perform annual product line tightness tests and line leak detector tests since April 13, 2004, and was still unable to test two UST lines because the line leak detectors were inoperable.

119. Although requested by Ms. Scott, Bulk Petroleum did not produce monthly UST leak detection records for January and December 2004, and for 2005.

120. Ms. Scott also discovered that automatic line leak detectors were inoperable on two USTs, and the rectifier for the UST cathodic protection system was not functioning properly.

121. On June 27, 2005, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to conduct line tightness and line leak detector testing.

Violations

122. Bulk Petroleum failed to perform an annual product line tightness test within one year of the last test on April 13, 2004 in violation of 567 Iowa Admin. Code 135.5(2)"b"(1)"2".

123. Bulk Petroleum did not maintain monthly UST leak detection records for January and December 2004, and for 2005 at the UST site, or at a readily available alternative site in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

124. Bulk Petroleum failed to perform an annual line leak detector test within one year of the last test on April 13, 2004 in violation of 567 Iowa Admin. Code 135.5(5)"a".

125. Automatic line leak detectors were inoperable on two USTs since May 22, 2005, and May 25, 2005, respectively, in violation of 567 Iowa Admin. Code 135.5(1)"a"(1)-(2) and 135.5(2)"b"(1)"1".

126. Bulk Petroleum failed to maintain proper operation of the cathodic protection system in violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.4(2)"a".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.4(2)"a", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(2)"b"(1)"1", 135.5(2)"b"(1)"2", 135.5(5)"a" and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.4(2)"a", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(2)"b"(1)"1", 135.5(2)"b"(1)"2", 135.5(5)"a" and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM V
(Four Mile Texaco Station #536, Des Moines)

127. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

128. In January 1998, Bulk Petroleum installed, and registered as the owner of, one 12,000-gallon, one 8,000-gallon, and one 5,000-gallon petroleum USTs at the Four Mile Texaco Station #536 (UST # 8608867), located at 3732 Easton Blvd., Des Moines, Iowa.

129. During a March 2, 2001 inspection conducted by DNR representative Jenifer Harkin, the DNR discovered current UST registration tags were not affixed to the UST fill pipes, annual line tightness and leak detector test results were not available, and monthly UST leak detection records were not available.

130. On March 23, 2001, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to maintain or make readily available the UST records for the site.

131. On May 9, 2001, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to display current registration tags on the UST fill pipes and for failing to produce requested UST records.

132. On September 27, 2001, the DNR director issued Administrative Order 2001-UT-34 to Bulk Petroleum for failing to conduct annual line tightness and leak detector testing, and failing to provide the DNR with requested UST records. The Order imposed an administrative penalty of \$1,000.00. Bulk Petroleum did not appeal the order. The DNR collected the \$1,000.00 penalty from Bulk Petroleum in August 2003.

133. On December 13, 2005, DNR representative Amy Scott conducted an on-site inspection of the station.

134. At the time of the inspection, the store had been closed, and the site inactive, since October 11, 2005; however, Bulk Petroleum confirmed as late as December 27, 2005, that the product had not been removed from the USTs, and no temporary closure notification had been submitted to the DNR.

135. Bulk Petroleum failed to conduct monthly UST leak detection monitoring for the temporarily closed USTs, and was unable to produce any monthly UST leak detection records prior to October 2, 2005.

136. On January 20, 2006, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for the violations documented by Ms. Scott, and the DNR directed Bulk Petroleum to submit a temporary closure form for the site, submit leak detection records, and information about the fill and overfill prevention mechanisms by February 5, 2006.

137. Although Bulk Petroleum failed to comply with the February 5 deadline, it did submit a temporary closure form and conduct tank and line tightness tests for the UST system in April 2006.

Violations

138. Since January 1998, Bulk Petroleum failed to conduct monthly UST leak detection monitoring in violation of 567 Iowa Admin. Code 135.5(2)"a".

139. Bulk Petroleum failed to conduct monthly UST leak detection monitoring for the temporarily closed USTs in violation of 567 Iowa Admin. Code 135.15(1)"a".

140. Since January 1998, Bulk Petroleum failed to maintain monthly UST leak detection records in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(2)"a", 135.5(6) and 135.15(1)"a" not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(2)"a", 135.5(6) and 135.15(1)"a".

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM VI
(Citgo Station #587, Davenport)

141. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

142. On April 26, 2006, DNR representative Terry Jones conducted an on-site inspection of Bulk Petroleum's Citgo Station #587 (UST # 8601917), located at 3417 Harrison Street, Davenport, Iowa.

143. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of the two steel 10,000-gallon petroleum USTs located at the site.

144. When requested by Mr. Jones, Bulk Petroleum was unable to produce monthly UST leak detection records for April -December 2005, was unable to produce records demonstrating the UST cathodic protection system had been tested within three years of the last test on August 14, 2002, and was unable to produce monitoring records for the cathodic protection system since May 9, 2002.

145. During the inspection, Mr. Jones observed that the cathodic protection system was not operating properly at the time of the cathodic protection test on August 14, 2002, was still not operating properly, and the red warning light was lit on the system rectifier.

146. On May 7, 2006, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to test the cathodic protection system, failing to conduct UST and line tightness testing, and for failing to produce requested UST records.

147. In a September 11, 2006 telephone call, Bulk Petroleum informed Mr. Jones the USTs were permanently closed and removed the first week of September.

Violations

148. From April -December 2005, Bulk Petroleum failed to conduct monthly UST system leak detection monitoring in violation of 567 Iowa Admin. Code 135.5(2)"a", and 135.5(2)"b"(1)"2".

149. Bulk Petroleum failed to maintain UST leak detection records for April -December 2005 in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

150. Bulk Petroleum failed to test the UST cathodic protection system within three years of August 14, 2002, in violation of 567 Iowa Admin. Code 135.4(2)"b"(1).

151. Since August 14, 2002, Bulk Petroleum failed to maintain proper operation of the cathodic protection system in violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.4(2)"a".

152. Bulk Petroleum failed to inspect the cathodic protection system every 60 days since May 9, 2002 in violation of 567 Iowa Admin. Code 135.4(2)"c".

153. Since May 9, 2002, Bulk Petroleum failed to maintain records of the operation of the cathodic protection system in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2) and (4), 135.4(5)"c"(1)-(2), 135.5(2)"a", 135.5(2)"b"(1)"2" and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.4(2)"a", 135.4(2)"b"(1),

135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2),(4), 135.4(5)"c"(1)-(2), 135.5(2)"a", 135.5(2)"b"(1)"2 " and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM VII
(Citgo Station #588, Davenport)

154. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

155. On November 2, 2005, DNR representative Terry Jones conducted an on-site inspection of Bulk Petroleum's Citgo Station #588 (UST # 8601918), located at 1026 W. River Drive, Davenport, Iowa.

156. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of three steel 10,000-gallon petroleum USTs located at the site.

157. Mr. Jones discovered Bulk Petroleum was improperly using product inventory control as a method of release detection for USTs that were installed or upgraded over ten years prior to the inspection.

158. Mr. Jones observed a spill containment basin was cracked and in need of repair, while other basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled.

159. During the inspection, Mr. Jones observed that the cathodic protection system was not operating properly, and the red warning light was lit on the system rectifier.

160. When requested by Mr. Jones, Bulk Petroleum was unable to produce records demonstrating the UST cathodic protection system had been tested within three years, and was unable to produce monitoring records for the cathodic protection system.

Violations

161. Bulk Petroleum was using product inventory control as a method of release detection for USTs that were installed or upgraded over ten years prior to the inspection in violation of 567 Iowa Admin. Code 135.5(2)"a"(1).

162. A spill containment basin was cracked and in need of repair, while other basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d".

163. Bulk Petroleum failed to maintain proper operation of the cathodic protection system in violation of 567 Iowa Admin. Code 135.3(1)"a"(2)"4", 135.3(1)"b"(4), 135.4(2)"a".

164. Bulk Petroleum did not test the cathodic protection system every three years in violation of 567 Iowa Admin. Code 135.4(2)"b"(1).

165. Bulk Petroleum failed to inspect the cathodic protection system every 60 days in violation of 567 Iowa Admin. Code 135.4(2)"c".

166. Bulk Petroleum did not maintain records of the testing and operation of the cathodic protection system in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(2)"a"(1) and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and

- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(2)"a"(1) and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM VIII
(Citgo Station #555, Davenport)

167. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

168. On April 21, 2006, DNR representative Terry Jones conducted an on-site inspection of Bulk Petroleum's Citgo Station #555 (UST # 8603854), located at 2080 W. River Drive, Davenport, Iowa.

169. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of the four steel 6,000-gallon petroleum USTs located at the site.

170. During the inspection, Mr. Jones observed spill containment basins contained water and fuel that prevented the basins from adequately preventing spills when the USTs are being filled.

171. Bulk Petroleum failed to maintain proper operation of the cathodic protection system for the steel UST piping.

172. When requested by Mr. Jones, Bulk Petroleum was unable to produce records it conducted annual tests of its automatic line leak detectors, and it was unable to produce records demonstrating the UST cathodic protection system for steel UST piping had been tested within three years.

173. In a September 22, 2006 email to Bulk Petroleum representative Dan Huffaker, Mr. Jones directed Bulk Petroleum to discontinue use of the UST system after the current product has been dispensed for its continued failure to provide cathodic protection to the steel UST piping.

Violations

174. Bulk Petroleum failed to conduct annual tests of its automatic line leak detectors in violation of 567 Iowa Admin. Code 135.5(5)"a".

175. Spill containment basins contained water and fuel that prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1" and 135.3(2)"d".

176. Bulk Petroleum failed to maintain cathodic protection for steel UST piping in violation of 567 Iowa Admin. Code 135.3(1)"b" and 135.4(2)"a".

177. Bulk Petroleum failed to inspect the cathodic protection for steel UST piping every 60 days in violation of 567 Iowa Admin. Code 135.4(2)"c".

178. Bulk Petroleum failed to test the UST cathodic protection system for steel UST piping at least every three years in violation of 567 Iowa Admin. Code 135.4(2)"b"(1).

179. Bulk Petroleum failed to maintain records of the operation of the UST cathodic protection system for steel UST piping in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"b", 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(5)"a" and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and

- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"b", 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(5)"a" and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM IX
(Citgo Station #534, Davenport)

180. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

181. On April 21, 2006, DNR representative Terry Jones conducted an on-site inspection of Bulk Petroleum's Citgo Station #534 (UST # 9617870), located at 11423 160th Street, Davenport, Iowa.

182. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of one 12,000-gallon, and two 10,000-gallon petroleum USTs located at the site.

183. When requested by Mr. Jones, Bulk Petroleum was unable to produce monthly UST leak detection records, or records of testing for the automatic tank gauges, for the line leak detectors, and for line tightness.

184. Because of Bulk Petroleum's failure to produce records as requested, the DNR determined Bulk Petroleum failed to conduct an annual line tightness test for pressurized underground UST piping and failed to annually test automatic line leak detectors.

185. Mr. Jones also observed that Bulk Petroleum failed to affix, and make readily visible, DNR-issued UST registration tags to the fill pipes of USTs.

186. On May 3, 2006, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for the violations observed by Mr. Jones.

Violations

187. Bulk Petroleum failed to conduct an annual line tightness test for pressurized underground UST piping in violation of 567 Iowa Admin. Code 135.5(2)"b"(1)"2".

188. Bulk Petroleum failed to annually test automatic line leak detectors in violation of 567 Iowa Admin. Code 135.5(5)"a".

189. Bulk Petroleum failed to maintain UST testing records for the automatic tank gauges, line leak detectors, and line tightness in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

190. Bulk Petroleum failed to affix, and make readily visible, DNR-issued UST registration tags to the fill pipes of USTs in violation of 567 Iowa Admin. Code 135.3(5)"c".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(5)"c", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(2)"b"(1)"2", 135.5(5)"a" and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(5)"c", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(2)"b"(1)"2", 135.5(5)"a" and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM X (Citgo Station #535, Blue Grass)

191. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

192. In December 2000, Bulk Petroleum registered with the DNR as the owner of three 8,000-gallon petroleum USTs at its Citgo Station #535 (UST # 8603857), located at 101 E. Mayne, Blue Grass, Iowa.

193. On October 17, 2005, DNR representative Terry Jones conducted an on-site inspection of the station.

194. Mr. Jones discovered Bulk Petroleum was improperly using product inventory control as a method of release detection for USTs that were installed or upgraded over ten years prior to the inspection. Furthermore, Bulk Petroleum's monthly UST leak detection monitoring failed to measure for the presence of water in the USTs on a monthly basis.

195. While reviewing Bulk Petroleum's inventory records for November 2004 through September 2005, Mr. Jones discovered that the UST system failed monthly UST leak detection tests from May through September 2005; however, Bulk Petroleum failed to notify the DNR of the suspected release, failed to conduct a tank tightness test, or failed to have the site checked by a certified groundwater professional.

196. During the inspection, Mr. Jones observed that the overfill protection was missing on two of three USTs, and spill basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled.

197. On October 20, 2005, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for the violations observed by Mr. Jones.

Violations

198. Bulk Petroleum continued to use monthly inventory controls and tank tightness testing as a method of monthly UST leak detection monitoring for longer than ten (10) years after the USTs were installed or upgraded in violation of 567 Iowa Admin. Code 135.5(2)"a"(1).

199. Bulk Petroleum's monthly UST leak detection monitoring failed to measure for the presence of water in the USTs on a monthly basis in violation of 567 Iowa Admin. Code 135.5(4)"a"(6).

200. Bulk Petroleum failed to notify the DNR that the UST system failed monthly UST leak detection tests from May through September 2005 in violation of 567 Iowa Admin. Code 135.5(1)"b" and 135.6(1)"c".

201. Bulk Petroleum failed to conduct a risk-based corrective action of contamination in the soil and groundwater in violation of 567 Iowa Admin. Code 135.6(1) and 135.8(1).

202. After two USTs failed two consecutive monthly UST leak detection tests, Bulk Petroleum failed to conduct a tank tightness test, or have the site checked by a certified groundwater professional in violation of 567 Iowa Admin. Code 135.6(3).

203. Overfill protection was missing on two of three USTs, and spill basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1" and 135.3(2)"d".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.5(1)"b", 135.5(2)"a"(1), 135.5(4)"a"(6), 135.6(1)"c", 135.6(3) and 135.8(1) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.5(1)"b", 135.5(2)"a"(1), 135.5(4)"a"(6), 135.6(1)"c", 135.6(3) and 135.8(1).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM XI
(Citgo Station #539, Le Claire)

204. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

205. In November 2001, Bulk Petroleum registered with the DNR as the owner of one 10,000-gallon, one 6,000-gallon, two 4,000-gallon, and one 2,000-gallon petroleum USTs at its Citgo Station #539 (UST # 8608851), located at 1220 North Cody Road, Le Claire, Iowa.

206. On July 12, 2005, DNR representative Terry Jones conducted an on-site inspection of the station.

207. During the inspection, Mr. Jones observed that the printer on the automatic tank gauge for the USTs was not operating; therefore, leak detection results were not being recorded.

208. When requested, Bulk Petroleum was unable to timely produce UST product records of testing for the automatic tank gauges, line leak detectors, and line tightness.

209. The USTs were installed in 1995; however, Bulk Petroleum was improperly using product inventory control as a method of release detection for longer than ten (10) years after the USTs were installed.

210. During the inspection, Mr. Jones observed that the spill basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled.

211. On October 20, 2005, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failure to use proper leak detection and for failure to produce UST records.

Violations

212. The automatic tank gauges on the USTs were not operating in violation of 567 Iowa Admin. Code 135.5(1)"a"(1)-(2) and 135.5(4)"d"(1).

213. Bulk Petroleum failed to maintain UST testing records for the automatic tank gauges, line leak detectors, and line tightness in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2) and 135.5(6).

214. The USTs were installed in 1995, and Bulk Petroleum continued to use monthly inventory controls and tank tightness testing as a method of monthly UST leak detection monitoring for longer than ten (10) years after the USTs were installed or upgraded in violation of 567 Iowa Admin. Code 135.5(2)"a"(1).

215. Spill basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(2)"a"(1), 135.5(4)"d"(1) and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(2)"a"(1), 135.5(4)"d"(1) and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM XII
(Kerr McGee Station #576, Cedar Rapids)

216. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

217. In January 1995, Bulk Petroleum registered with the DNR as the owner of, one 6,000-gallon, one 10,000-gallon, and one 15,000-gallon petroleum USTs at its Kerr McGee Station #576 (UST # 8601907), located at 100 First Ave. NW, Cedar Rapids, Iowa.

218. On February 1, 2005, a representative with the Region 7 UST program of the U.S. Environmental Protection Agency, Bjorn Brinkman, conducted an on-site inspection of the station.

219. The USTs were installed in 1972 and upgraded before 1995; however, Bulk Petroleum was improperly using product inventory control as a method of release detection for longer than ten (10) years after the USTs were installed or upgraded.

220. When requested, Bulk Petroleum was unable to produce monthly UST product inventory records, and testing records for the line leak detectors and for line tightness.

Violations

221. Bulk Petroleum continued to use monthly inventory controls and tank tightness testing as a method of monthly UST leak detection monitoring for longer than ten (10) years after the USTs were installed or upgraded in violation of 567 Iowa Admin. Code 135.5(2)"a"(1).

222. Bulk Petroleum failed to conduct tank tightness tests every five years in violation of 567 Iowa Admin. Code 135.5(2)"a"(1).

223. Bulk Petroleum failed to maintain records at the UST site, or at a readily available alternative site in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(2)"a"(1) and 135.5(6) not to exceed five

thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and

- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(2)"a"(1) and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM XIII (Mobil Station #581, Cedar Rapids)

224. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

225. On February 2, 2005, representatives with the Region 7 UST program of the U.S. Environmental Protection Agency, Bjorn Brinkman and Linda Garwood, conducted an on-site inspection of Bulk Petroleum's Mobil Station #581 (UST # 8601912), located at 3326 Center Point Road NE, Cedar Rapids, Iowa.

226. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of the four steel 10,000-gallon petroleum USTs located at the site.

227. When requested, Bulk Petroleum was unable to timely produce monitoring or testing records for the UST cathodic protection system, automatic tank gauges, line leak detectors, line tightness, and monthly UST leak detection.

228. During the inspection, Mr. Brinkman discovered the rectifier for the cathodic protection system was turned off and providing no corrosion protection to the USTs, and the automatic tank gauges on the USTs were not operating.

229. Mr. Brinkman also discovered that three USTs failed to have overfill prevention equipment that will automatically shut off flow into the tank or trigger an alarm.

230. The USTs were installed and upgraded before 1995; however, Bulk Petroleum was improperly using product inventory control as a method of release detection for longer than ten (10) years after the USTs were installed or upgraded.

Violations

231. Bulk Petroleum did not maintain records at the UST site, or at a readily available alternative site, demonstrating the UST cathodic protection system had been inspected every 60 days, or tested within three years, in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

232. Bulk Petroleum failed to maintain proper operation of the cathodic protection system in violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", and 135.4(2)"a".

233. Bulk Petroleum failed to inspect the cathodic protection system every 60 days in violation of 567 Iowa Admin. Code 135.4(2)"c".

234. The automatic tank gauges on the USTs were not operating in violation of 567 Iowa Admin. Code 135.5(1)"a"(1)-(2), 135.5(4)"d"(1).

235. Bulk Petroleum did not maintain monthly UST leak detection records at the UST site, or at a readily available alternative site, in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

236. Three USTs failed to have overfill prevention equipment that will automatically shut off flow into the tank or trigger an alarm in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1"- "2", 135.3(2)"d".

237. Bulk Petroleum did not maintain UST product records of testing for the line leak detectors, and for line tightness at the UST site, or at a readily available alternative site, in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

238. Bulk Petroleum continued to use monthly inventory controls and tank tightness testing as a method of monthly UST leak detection monitoring for longer than ten (10) years after the USTs were installed or upgraded in violation of 567 Iowa Admin. Code 135.5(2)"a"(1).

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1"-2", 135.3(2)"d", 135.4(2)"a", 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2) and (4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(2)"a"(1), 135.5(4)"d"(1) and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1"-2", 135.3(2)"d", 135.4(2)"a", 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2) and (4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(2)"a"(1), 135.5(4)"d"(1) and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM XIV **(Citgo Station #572, Waterloo)**

239. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

240. On March 15, 2005, representatives with the Region 7 UST program of the U.S. Environmental Protection Agency, Bjorn Brinkman and Linda Garwood, conducted an on-site inspection of Bulk Petroleum's Citgo Station #572 (UST # 8601903), located at 515 Broadway Street in Waterloo, Iowa.

241. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of the four steel 10,000-gallon petroleum USTs located at the site.

242. Although Bulk Petroleum used a cathodic corrosion protection system for the USTs, Bulk Petroleum failed to test the UST cathodic protection system within three years, and it was unable to produce rectifier monitoring records upon request.

243. During the inspection, Mr. Brinkman determined the cathodic protection system for the USTs was not operating properly due to a suspected malfunctioning rectifier.

244. Mr. Brinkman also observed that the valve on UST # 2 was malfunctioning and did not provide overfill protection for the UST, and spill basins for all the USTs were filled with water which prevented the basins from adequately preventing spills when the USTs are being filled.

245. Although Bulk Petroleum was using product inventory control as a method of release detection for the USTs, its monthly UST leak detection monitoring failed to measure for the presence of water in the USTs on a monthly basis.

Violations

246. Bulk Petroleum failed to test the cathodic protection system every three years in violation of 567 Iowa Admin. Code 135.4(2)"b"(1).

247. Bulk Petroleum failed to maintain proper operation of the cathodic protection system in violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.4(2)"a".

248. Bulk Petroleum failed to inspect the cathodic protection system every 60 days in violation of 567 Iowa Admin. Code 135.4(2)"c".

249. Bulk Petroleum did not maintain records of the operation, inspection, or testing of the UST cathodic protection system at the UST site, or at a readily available alternative site, in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

250. Overfill protection was not operating on UST #2, and spill basins were filled with water which prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1"-"2", 135.3(2)"d".

251. Bulk Petroleum's monthly UST leak detection monitoring failed to measure for the presence of water in the USTs on a monthly basis in violation of 567 Iowa Admin. Code 135.5(4)"a"(6).

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1"-"2", 135.3(2)"d", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(4)"a"(6) and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"a"(2), 135.3(1)"b", 135.3(1)"c"(1)"1"-"2", 135.3(2)"d", 135.4(2)"a", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(4)"a"(6) and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM XV
(Citgo Station #520, Burlington)

252. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

253. The DNR received a letter dated January 19, 2005, by a customer of Bulk Petroleum's Citgo Station #520 (UST #8603852), located at 1900 Summer Street, Burlington, Iowa, complaining that water in the gasoline she purchased at the station caused her car to stop running.

254. In response to the complaint, DNR representative Bob Pyle conducted an on-site inspection of the station on February 17, 2005.

255. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of four steel 6,000-gallon petroleum USTs located at the site.

256. While reviewing records of the cathodic protection test conducted on May 12, 2002, Mr. Pyle determined the test was inadequate and did not satisfy DNR testing requirements.

257. When requested, Bulk Petroleum was unable to produce monitoring records for the cathodic protection system.

258. Mr. Pyle documented that Bulk Petroleum failed to annually test automatic line leak detectors, and failed to internally inspect USTs within ten years after the installation of internal lining on June 11, 1994, in order to determine if the USTs remain structurally sound with the lining still performing in accordance with original design specifications.

259. While inspecting the USTs, Mr. Pyle observed that the spill basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled.

260. Furthermore, Bulk Petroleum failed to affix, and make readily visible, DNR-issued UST registration tags to the fill pipes of USTs.

261. During the inspection, Bulk Petroleum informed Mr. Pyle that water had separated from the ethanol in a tank and caused about 6 people to have problems with their cars. Bulk Petroleum said that it shut down the pump until the fuel was replaced.

262. On March 7, 2005, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for failing to perform cathodic protection and line leak detector testing, and for failing to affix registration tags to the fill pipes.

263. Bulk Petroleum permanently closed and removed the four USTs on December 8, 2005.

Violations

264. The cathodic protection test conducted on May 12, 2002 was inadequate and did not satisfy the testing requirements of 567 Iowa Admin. Code 135.4(2)"b"(1).

265. Bulk Petroleum failed to inspect the cathodic protection system every 60 days in violation of 567 Iowa Admin. Code 135.4(2)"c".

266. Bulk Petroleum did not maintain records of the operation or inspection of the UST cathodic protection system at the UST site, or at a readily available alternative site, in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

267. Bulk Petroleum failed to internally inspect lined USTs on or before June 11, 2004, ten years after installing the lining, to determine if the USTs remain structurally sound with the lining still performing in accordance with original design specifications in violation of 567 Iowa Admin. Code 135.3(2)"b"(1)"2".

268. Bulk Petroleum failed to annually test automatic line leak detectors in violation of 567 Iowa Admin. Code 135.5(5)"a".

269. Spill basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1" and 135.3(2)"d".

270. Bulk Petroleum failed to affix, and make readily visible, DNR-issued UST registration tags to the fill pipes of USTs in violation of 567 Iowa Admin. Code 135.3(5)"c".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"b"(1)"2", 135.3(2)"d", 135.3(5)"c", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(5)"a" and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and

- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"b"(1)"2", 135.3(2)"d", 135.3(5)"c", 135.4(2)"b"(1), 135.4(2)"c", 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(5)"a" and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM XVI
(Jiffy Station #505, Ames)

271. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

272. In December 2000, Bulk Petroleum registered with the DNR as the owner of one 12,000-gallon, one 10,000-gallon, and one 6,000-gallon steel petroleum USTs at its Jiffy Station #505 (UST # 8604812), located at 326 Lincoln Way, Ames, Iowa.

273. On March 1, 2006, DNR representative Cory Carr conducted an on-site inspection of the station.

274. Although the USTs were installed in 1990, Bulk Petroleum continued to use monthly inventory controls and tank tightness testing as a method of monthly UST leak detection monitoring until January 2006. The period of time for using this method of leak detection was for longer than ten (10) years after the USTs were installed or upgraded.

275. During the inspection, Mr. Carr observed that all three UST spill basins were filled with water which prevented the basins from adequately preventing spills when the USTs are being filled.

276. Furthermore, Bulk Petroleum failed to affix, and make readily visible, DNR-issued UST registration tags to the fill pipes of USTs.

277. Upon request, Bulk Petroleum was unable to produce records demonstrating the UST cathodic protection system had ever been tested.

278. On March 8, 2006, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for the violations identified by Mr. Carr.

Violations

279. The USTs were installed in 1990, and Bulk Petroleum continued to use monthly inventory controls and tank tightness testing as a method of monthly UST leak detection monitoring until January 2006. The period of time for using this method of leak detection was for longer than ten (10) years after the USTs were installed or upgraded in violation of 567 Iowa Admin. Code 135.5(2)"a"(1).

280. All three spill basins were filled with water which prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1" and 135.3(2)"d".

281. Bulk Petroleum failed to test the cathodic protection system every three years in violation of 567 Iowa Admin. Code 135.4(2)"b"(1).

282. Bulk Petroleum failed to maintain adequate records of the operation of the UST cathodic protection system in violation of 567 Iowa Admin. Code 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), and 135.5(6).

283. Bulk Petroleum failed to affix, and make readily visible, DNR-issued UST registration tags to the fill pipes of USTs in violation of 567 Iowa Admin. Code 135.3(5)"c".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.3(5)"c", 135.4(2)"b"(1), 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(2)"a"(1) and 135.5(6) not to exceed five

thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and

- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"d", 135.3(5)"c", 135.4(2)"b"(1), 135.4(2)"d", 135.4(5)"b"(2), 135.4(5)"c"(1)-(2), 135.5(2)"a"(1) and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

CLAIM XVII (Citgo Station #550, Malcom)

284. Plaintiff restates and incorporates by reference the allegations contained in paragraphs 1-38 as though fully set forth herein.

Facts

285. During an inspection conducted on May 6, 2004 and June 17, 2004 by DNR representative Bill Gross, the DNR discovered the automatic tank gauge system was not being properly maintained and operable, an overfill valve was inoperable due to an obstruction, debris and liquids were in the overfill canisters, and the internal linings of the USTs had not been tested within 10 years.

286. On July 19, 2004, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for the violations identified by Mr. Gross.

287. On August 22, 2005, DNR representative Bill Gross conducted an on-site inspection of Bulk Petroleum's Citgo Station #550 (UST # 8610054), located at 4164 Highway 63, Malcom, Iowa.

288. At the time of the inspection, Bulk Petroleum was registered with the DNR as the owner of the two 10,000-gallon, and three 6,000-gallon steel petroleum USTs located at the site.

289. During the inspection, Mr. Gross discovered that the automatic tank gauges on the USTs were not operable.

290. When requested, Bulk Petroleum was unable to produce monthly UST leak detection records.

291. While inspecting the USTs, Mr. Gross observed that the spill basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled.

292. Bulk Petroleum had not successfully inspected the internal lining of two USTs within ten years after lining the USTs in October 1994 to comply with DNR upgrade requirements.

293. On September 6, 2005, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for the violations identified by Mr. Gross.

294. On January 18, 2006, Mr. Gross conducted another on-site inspection of the USTs and confirmed that the automatic tank gauges remained in disrepair, and release detection records were not available for inspection.

295. On February 6, 2006, the DNR issued a "Notice of Violation" letter to Bulk Petroleum for the ongoing violations identified by Mr. Gross.

Violations

296. The automatic tank gauges on the USTs were not operating since the May 6, 2004 inspection in violation of 567 Iowa Admin. Code 135.5(1)"a"(1)-(2) and 135.5(4)"d"(1).

297. Bulk Petroleum failed to maintain monthly UST leak detection records at the UST site, or at a readily available alternative site, in violation of 567 Iowa Admin. Code 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), and 135.5(6).

298. Spill basins were filled with debris, fuel and water which prevented the basins from adequately preventing spills when the USTs are being filled in violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1" and 135.3(2)"d".

299. Bulk Petroleum had not successfully inspected the internal lining of two USTs within ten years after lining USTs in October 1994 in violation of 567 Iowa Admin. Code 135.3(2)"b"(1)"2".

WHEREFORE, Plaintiff State of Iowa ex rel., Iowa Department of Natural Resources requests the Court:

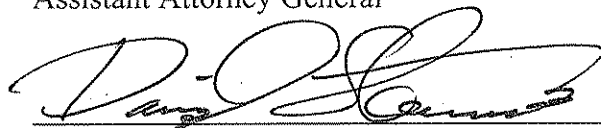
- a. assess a civil penalty against Bulk Petroleum pursuant to Iowa Code section 455B.477(1) (2007) for each day of violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"b"(1)"2", 135.3(2)"d", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(4)"d"(1) and 135.5(6) not to exceed five thousand dollars (\$5,000) per day, per violation, for as long as the violation continues; and
- b. issue an order permanently enjoining Bulk Petroleum from any further violation of 567 Iowa Admin. Code 135.3(1)"c"(1)"1", 135.3(2)"b"(1)"2", 135.3(2)"d", 135.4(5)"b"(4), 135.4(5)"c"(1)-(2), 135.5(1)"a"(1)-(2), 135.5(4)"d"(1) and 135.5(6).

Plaintiff further requests such other relief the Court may deem just and proper and that the Court tax the costs of this action to Bulk Petroleum.

Respectfully submitted,

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